

BORD GÁIS EIREANN



**ELIGIBILITY CRITERIA FOR
GAS CUSTOMERS AND PERSONS
For Further Market Opening 2003**

March 2003

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Introduction

Effective from 1 January 2003, natural gas consumers who consume in excess of 500,000 standard cubic meters at a meter point are eligible to chose a natural gas licensed supplier to provide their supply. These customers have entered into the competitive market and this paper explains the details of eligibility for such customers.

In 1995, under the terms of the Energy (Miscellaneous Provisions) Act, the principle of Third Party Access was introduced to the Irish gas market. This encompassed any gas user who consumed not less than the rate of 25 million standard cubic metres per annum, to a single meter installation.

The second phase of gas market opening began on April 30th, 2002. On that date, the eligibility threshold for TPA was reduced, and secondly, five categories of applicant, enumerated in Section 14(1) of the Gas (Interim)(Regulation) Act, 2002, were deemed eligible to apply to a pipeline operator to have gas transported on their behalf. Of these five categories, only two are dealt with in this paper, namely:

1. "A final customer (within the meaning of section 2 of the Gas (Interim) (Regulation) Act, 2002), with an annual rate of consumption of not less than 2,000,000 standard cubic metres per annum at a single meter installation for the purpose of delivery to that installation"¹ is deemed eligible, at that meter point, to obtain a supply of gas from a licensed supplier

and

2. "A person who operates a gas-fired generating station, irrespective of its annual consumption level, for the purpose of providing energy for the generation of electricity at that station"² is deemed eligible, at that meter point, to obtain a supply of gas from a licensed supplier.

Current Eligibility Levels

The third phase of gas market opening began on January 1st, 2003. On that date the eligibility threshold for TPA was further reduced in line with Statutory Instrument S.I. No.545 of 2002 signed by the

¹ Gas (Interim) (Regulation) Act, 2002. Section 14.1

² Gas (Interim) (Regulation) Act, 2002. Section 14.1

Minister for Communications, Marine and Natural Resources on 22nd November 2002. This Statutory Instrument stated: -

“The rate of **500,000 standard cubic metres per annum** is prescribed for the purposes of section 10A(1)(e) (inserted by section 14(1) of the Gas (Interim) (Regulation) Act 2002 (No. 10 of 2002)) of the Gas Act 1976 (No. 30 of 1976) in lieu of the rate of 2,000,000 standard cubic metres per annum specified in that paragraph”.

Eligible Customer/Persons Register

The Interim Gas Point Registration Office (GPRO) has been established as an operationally independent entity within Bord Gáis to facilitate the data and information requirements for the operation of the competitive market. It will act, *inter alia*, as a

- Register of customers
- Point of contact for customers or persons regarding eligibility
- Point of contact for licensed pipeline operators

A register of eligible customers and persons will be established and maintained by the GPRO in accordance with eligibility rules to be approved by the Commission for Energy Regulation (CER).

The eligible customer/persons register comprises, for the current round of market opening, customers or persons who are deemed eligible according to the rules of eligibility and initially based on annual consumption data as at 31st December 2002.

This register will be updated, following reviews of annual consumptions on a three monthly basis at the 31st March, 30th June, 30th September and 31st December of each year and by additions arising from successful customer requests for eligibility as they occur.

Consumption data will be compiled from historical data contained in the Bord Gáis Meter Reading system.

The GPRO will notify those customers/persons that are eligible under this round of market opening and under subsequent reviews on a timely basis.

The GPRO will provide the CER with the list of all eligible customers and inform the CER as and when any changes occur.

This list will be available to appropriate parties on request from the CER.

Rules governing Eligibility

The rules, approved by the CER, governing Customer Eligibility, are as follows:

General Rules

- A. Gas consumption will be based on Bord Gáis Metering readings and historical data
- B. Annual Consumption will be the metered or calculated consumption of gas during the 12 months preceding each quarterly review point, commencing on 30th September 2002, then on 31st December 2002 and subsequently, each three months thereafter
- C. EAC (Expected Annual Consumption) : An estimate of expected annual consumption at a meter, as agreed between the Customer, the Supplier and the Distribution System Operator or Transmission System Operator, where there is a new meter installation or exchange.

Eligibility by Consumption

- Any customer will be deemed eligible at a single meter installation, if the customer's annual gas consumption at the single meter installation (See Figure 1) is :-
 - (i) not less than 0.5 million standard cubic metres per annum,
 - or**
 - (ii) not less than 0.45 million standard cubic metres per annum and can demonstrate to the satisfaction of the GPRO that they will exceed 0.5 million standard cubic metres per annum in the next 12 months.

- Where a customer has two meters, one of which operates as a backup meter in case of the other's failure, then a customer will be deemed eligible at both meters where the aggregated consumption is not less than 0.5 million standard cubic metres per annum. (See Figure 2)
- Customers whose historical annual consumption, in the twelve months immediately preceding each quarterly review, on a single meter installation is found to be less than 0.5 million standard cubic metres per annum will not be eligible unless :-
 - (i) their annual consumption at the immediately previous six monthly review was 0.5 million standard cubic metres per annum or more, **and**
 - (ii) their annual consumption at the latest review is greater than 0.45 million standard cubic metres per annum.
- Where a new gas meter installation is provided and the installation has an Expected Annual Consumption (EAC), as agreed by the customer, supplier and system operator, of not less than 0.5 million standard cubic metres per annum during the next 12 months, the installation shall be deemed eligible. The system operator will notify the GPRO of the installation and the EAC for the registration of that meter point.
- Where the system operator has provided or agreed to provide a gas meter installation upgrade for the customer, which has an EAC of not less than 0.5 million standard cubic metres per annum, during the 12 months immediately following the completion of the installation upgrade, then the installation shall be deemed eligible. The system operator will notify the GPRO of the installation and the new EAC for the registration of that meter point.

Eligibility due to Gas Fired Power Generation

Any person who operates a Gas-fired Generating station will be deemed eligible at the meter used for the generation of electricity irrespective of its annual consumption. (See Figure 3a, 3b)

Appeals

Where a customer or person applies to the GPRO for TPA eligibility, and is refused eligibility by the GPRO, he may then appeal to the CER for a determination on eligibility.

Eligible Customer Process

The Eligible Customer Process will operate as follows:

- A customer or person will be deemed eligible at a single meter which serves a single meter installation, if the customer's or person's annual gas consumption at that single meter installation is:-
 - (i) not less than 0.5 million standard cubic metres per annum.
or
 - (ii) not less than 0.45 million standard cubic metres per annum and can demonstrate to the satisfaction of the GPRO that they will exceed 0.5 million standard cubic metres per annum in the next 12 months
- A person who operates a gas-fired generating station, will be deemed eligible at a meter point irrespective of its annual consumption level at that meter point.
- If a customer or person has reason to believe that they will be eligible in the coming year and are not on the eligible customer database they may apply to the Interim Gasmeter Point Registration Operator (GPRO) by mail, fax or electronic mail.
- Eligible Customers shall, receive a letter and a form (GPRS1.A) from the Interim GPRO indicating that they are eligible. This form will include Customer Contact Details (Customer Name and Address), Customer Site Address, Supply Point Registration Number (if applicable), Site Annual Quantity, Minimum Supply Point Capacity, Gas Point Registration Number(s) (GPRN), Connection Type and Meter Serial Number(s).
- The Interim GPRO will apply, on an ongoing basis, the eligibility rules as detailed above and will promptly advise the customer whether they are eligible.
- If a customer/person has reason to believe that they have been mistakenly omitted from the eligibility list, they may make representations to the GPRO in order to review their case. If they are refused eligibility by the GPRO at this stage and they feel that they still have a legitimate case, they may then appeal to the CER for a determination on eligibility, which shall be binding on all parties.

Contact Details

Interim Gasmeter Point Registration Operator (GPRO)

Gas Point Registration Operator (GPRO)
Bord Gais,
Gas Works Road,
Cork.

Telephone: 1850 427261
Fax: 021 4534123
E-mail: gpro@bge.ie

Commission for Energy Regulation (CER)

Plaza House
Belgard Road
Tallaght
Dublin 24.

Telephone: 01 4000800
Fax: 01 4000850

Illustrative Diagrams

Fig 1

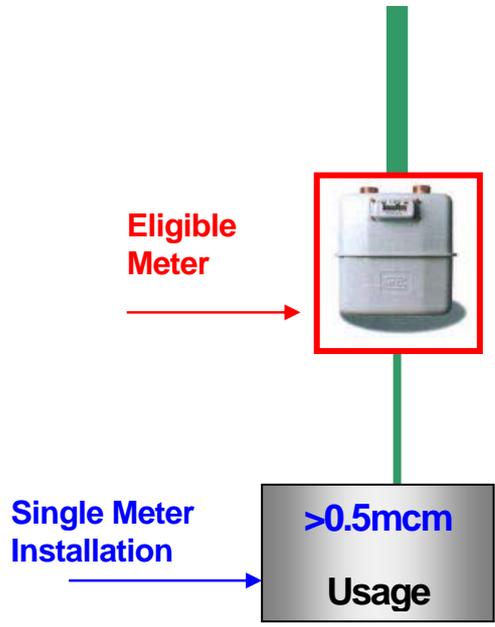


Fig 2

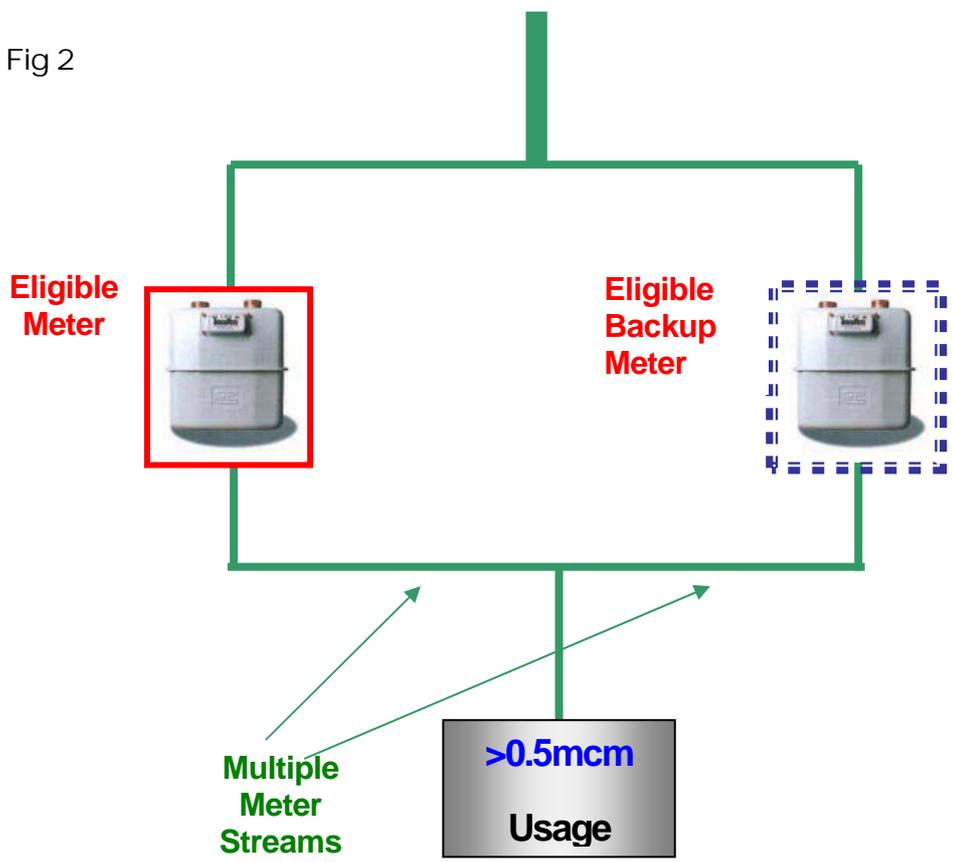


Fig. 3a

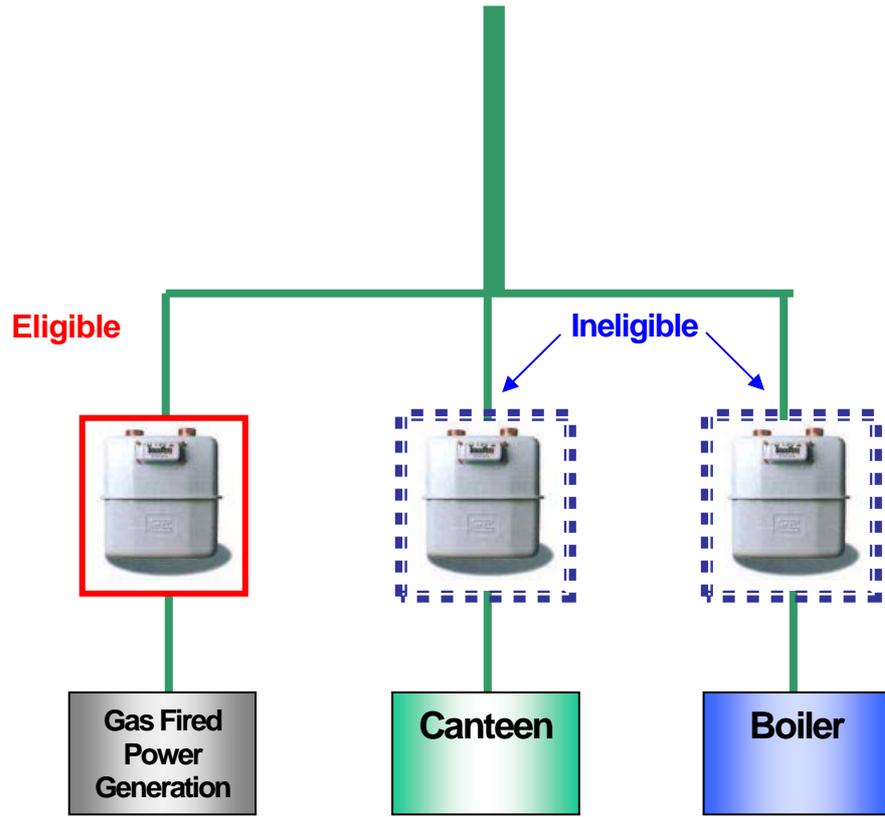


Fig 3b

